

AMENDED IN SENATE JUNE 24, 2002

AMENDED IN SENATE JUNE 11, 2002

AMENDED IN ASSEMBLY APRIL 25, 2002

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 2965

Introduced by Assembly Member Wiggins

February 25, 2002

An act to add Sections 337t, 337u, 337v, 337w, 337x, 337y, and 337z to the Penal Code, relating to gaming.

LEGISLATIVE COUNSEL'S DIGEST

AB 2965, as amended, Wiggins. Gaming: cheating.

Existing law makes unlawful the use of any game, device, sleight of hand, pretension to fortune tell, trick, or other means whatever, by use of cards or other implements or instruments, or while betting on sides or hands of any play or game, to fraudulently obtain from another person money or property of any description property of like value. Existing law defines the term “fraudulently obtain” for these purposes to include cheating by gaining an unfair advantage for any player in any game through a technique or device not sanctioned by the rules of the game.

This bill would make unlawful various acts of cheating in the playing of gambling games.

The bill would define the term “cheat” for these purposes.

The bill also would make it unlawful to use at a gambling establishment, or to possess with the intent to use, any device to assist in projecting the outcome of the gambling game, keeping track of the

cards played, analyzing the probability of the occurrence of an event relating to the game, or analyzing the strategy for playing or betting to be used in the game, except as permitted by the California Gambling Control Commission or a tribal gaming agency.

The bill also would make it unlawful for any person to use counterfeit chips, counterfeit debit instruments, or other counterfeit wagering instruments in a gambling game, associated equipment or a cashless wagering system. The bill would also make it unlawful for any person, to possess any paraphernalia for manufacturing slugs, as defined.

The bill would make it unlawful to manufacture, sell, or distribute *any* cards, chips, dice, game, or any device which is intended to be used to cheat and would make it a felony to mark, alter, or otherwise modify any associated equipment or gaming device in a manner that either affects the result of a wager by determining win or loss or alters the normal criteria of random selection, which affects the operation of a gambling game or which determines the outcome of a gambling game. The bill would prescribe terms of imprisonment and fines for violations of these prohibitions.

Because the bill would define various new crimes, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 337t is added to the Penal Code, to read:
- 2 337t. The following definitions govern the construction of
- 3 this section and Sections 337u, 337w, 337x, and 337y:
- 4 (a) “Associated equipment” means any equipment or
- 5 mechanical, electromechanical, or electronic contrivance,
- 6 component or machine used remotely or directly in connection
- 7 with gaming, any game, race book, or sports pool that would not
- 8 otherwise be classified as a gaming device, including dice, playing
- 9 cards, links which connect to progressive slot machines,



1 equipment which affects the proper reporting of gross revenue,
2 computerized systems of betting at a race book or sports pool,
3 computerized systems for monitoring slot machines and devices
4 for weighing or counting money.

5 (b) “Cashless wagering system” means a method of wagering
6 and accounting that is either of the following:

7 (1) A method in which the validity and value of a wagering
8 instrument or wagering credits are determined, monitored, and
9 retained by a computer that is operated and maintained by a
10 licensee and that maintains a record of each transaction involving
11 the wagering instrument or wagering credits, exclusive of the
12 game or gaming device on which wagers are being made. The term
13 includes computerized systems which facilitate electronic
14 transfers of money directly to or from a game or gaming device.

15 (2) Used in a race book or sports pool in which the validity and
16 value of a wagering instrument are determined, monitored, and
17 retained on a computer that maintains a record of each transaction
18 involving the wagering instrument and is operated and maintained
19 by a licensee.

20 (c) “Cheat” means to alter the elements of chance, method of
21 selection, or criteria, excluding those alterations to the game
22 generally done by the casino to provide variety to games and that
23 are known, or should be known, by the wagering players, which
24 determine any of the following:

25 (1) The result of a gambling game.

26 (2) The amount or frequency of payment in a gambling game.

27 (3) The value of a wagering instrument.

28 (4) The value of a wagering credit.

29 (d) “Drop box” means the box that serves as a repository for
30 cash, chips, tokens, or other wagering instruments.

31 (e) “Gambling establishment” means any premises wherein or
32 whereon any gaming is done.

33 (f) “Gambling game device” means any equipment or
34 mechanical, electromechanical, or electronic contrivance,
35 component or machine used remotely or directly in connection
36 with gaming or any game which affects the result of a wager by
37 determining win or loss. The term includes any of the following:

38 (1) A slot machine.

39 (2) A collection of two or more of the following components:

- 1 (A) An assembled electronic circuit which cannot be
2 reasonably demonstrated to have any use other than in a slot
3 machine.
- 4 (B) A cabinet with electrical wiring and provisions for
5 mounting a coin, token, or currency acceptor and provisions for
6 mounting a dispenser of coins, tokens, or anything of value.
- 7 (C) A storage medium containing the source language or
8 executable code of a computer program that cannot be reasonably
9 demonstrated to have any use other than in a slot machine.
- 10 (D) An assembled video display unit.
- 11 (E) An assembled mechanical or electromechanical display
12 unit intended for use in gambling.
- 13 (F) An assembled mechanical or electromechanical unit which
14 cannot be demonstrated to have any use other than in a slot
15 machine.
- 16 (3) Any mechanical, electrical, or other device that may be
17 connected to or used with a slot machine to alter the normal criteria
18 of random selection or affect the outcome of a game.
- 19 (4) A system for the accounting or management of any game
20 in which the result of the wager is determined electronically by
21 using any combination of hardware or software for computers.
- 22 (5) Any combination of one of the components set forth in
23 subparagraphs (A) to (F), inclusive, of paragraph (2) and any other
24 component that the commission determines by regulation to be a
25 machine used directly or remotely in connection with gaming or
26 any game which affects the results of a wager by determining a win
27 or loss.
- 28 (g) “Past-posting” means the positioning of a wager by an
29 individual at a game after having knowledge of the result or
30 outcome of that game.
- 31 (h) “Pinching wagers” means the removal, or attempted
32 removal, by an individual, of chips, tokens, money, or any other
33 wagering instrument wagered at a game or gaming device before
34 the dealer seizes the wager.
- 35 (i) “Pressing” means the wager of an individuals winnings
36 along with the original wager.
- 37 (j) “Tribal Gaming Agency” means the person, agency, board,
38 committee, commission, or council designated under tribal law,
39 including, but not limited to, an intertribal gaming regulatory
40 agency approved to fulfill those functions by the National Indian



1 Gaming Commission, as primarily responsible for carrying out the
2 regulatory responsibilities of the tribe under the Indian Gaming
3 and Regulatory Act (25 U.S.C. Sec. 2701) and a tribal gaming
4 ordinance.

5 (k) “Wagering credit” means a representative of value, other
6 than a chip, token, or wagering instrument, that is used for
7 wagering at a game or gaming device and is obtained by the
8 payment of cash or a cash equivalent, the use of a wagering
9 instrument or the electronic transfer of money.

10 (l) “Wagering instrument” means a representative of value,
11 other than a chip or token, that is issued by a licensee and approved
12 by the California Gambling Control Commission or a tribal
13 gaming agency, for use in a cashless wagering system.

14 SEC. 2. Section 337u is added to the Penal Code, to read:

15 337u. It is unlawful for any person to commit any of the
16 following acts:

17 (a) To alter or misrepresent the outcome of a gambling game or
18 other event on which wagers lawfully have been made after the
19 outcome is made sure, but before it is revealed to the players.

20 (b) To place, increase, or decrease a wager or to determine the
21 course of play after acquiring knowledge, not available to all
22 players, of the outcome of the gambling game or any event that
23 affects the outcome of the gambling game or which is the subject
24 of the wager or to aid anyone in acquiring that knowledge for the
25 purpose of placing, increasing, or decreasing a wager or
26 determining the course of play contingent upon that event or
27 outcome.

28 (c) To claim, collect, or take, or attempt to claim, collect, or
29 take, money or anything of value in or from a gambling game, with
30 intent to defraud, without having made a wager contingent on the
31 game, or to claim, collect, or take an amount greater than the
32 amount actually won.

33 (d) Knowingly to entice or induce another to go to any place
34 where a gambling game is being conducted or operated in violation
35 of this section, or Section 337v, 337w, 337x, or 337y, with the
36 intent that the other person play or participate in that gambling
37 game.

38 (e) To place or increase a wager after acquiring knowledge of
39 the outcome of the gambling game or other event which is the
40 subject of the wager, including past-posting and pressing wagers.

(f) To reduce the amount wagered or cancel the wager after acquiring knowledge of the outcome of the gambling game or other event which is the subject of the bet, including pinching wagers.

(g) To manipulate, with the intent to cheat, any component of a gambling game device in a manner contrary to the designed and normal operational purpose for the component, including, but not limited to, varying the pull of the handle of a slot machine, with knowledge that the manipulation affects the outcome of the gambling game or with knowledge of any event that affects the outcome of the gambling game.

SEC. 3. Section 337v is added to the Penal Code, to read:

337v. It is unlawful for any person at a gambling establishment to use, or to possess with the intent to use, any device to assist in any of the following:

(a) In projecting the outcome of the gambling game.

(b) In keeping track of the cards played.

(c) In analyzing the probability of the occurrence of an event relating to the gambling game.

(d) In analyzing the strategy for playing or wagering to be used in the gambling game, except as permitted by the California Gambling Control Commission or a tribal gaming agency.

SEC. 4. Section 337w is added to the Penal Code, to read:

337w. (a) It is unlawful for any person to use counterfeit chips, counterfeit debit instruments, or other counterfeit wagering instruments in a gambling game, the equipment associated with a gambling game, or a cashless wagering system.

(b) It is unlawful for any person, in playing or using any gambling game, the equipment associated with a gambling game, or a cashless wagering system designed to be played with, receive, or be operated by chips, tokens, wagering credits or other wagering instruments approved by the California Gambling Control Commission or a tribal gaming agency, or by lawful coin of the United States of America to either:

(1) Knowingly use chips, tokens, wagering credits, or other wagering instruments not approved by the California Gambling Control Commission or a tribal gaming agency, or lawful coin, legal tender of the United States of America, or use coin or tokens not of the same denomination as the coin or tokens intended to be

1 used in that gambling game, associated equipment, or cashless
2 wagering system.

3 (2) Use any device or means to violate this section or Section
4 337u, 337v, 337x, or 337y.

5 (c) It is unlawful for any person, not a duly authorized
6 employee of a gambling establishment acting in furtherance of his
7 or her employment within that establishment, to possess any
8 device intended to be used to violate this section or Section 337u,
9 337v, 337x, or 337y.

10 (d) It is unlawful for any person, not a duly authorized
11 employee of a gambling establishment acting in furtherance of his
12 or her employment within that establishment, to possess any key
13 or device known to have been designed for the purpose of, and
14 suitable for, opening, entering, or affecting the operation of any
15 gambling game, cashless wagering system, or dropbox, or for
16 removing money or other contents from the game, system, or box.

17 (e) It is unlawful for any person to possess any paraphernalia
18 for manufacturing slugs. As used in this subdivision,
19 “paraphernalia for manufacturing slugs” means the equipment,
20 products, and materials that are intended for use or designed for
21 use in manufacturing, producing, fabricating, preparing, testing,
22 analyzing, packaging, storing, or concealing a counterfeit
23 facsimile of the chips, tokens, debit instruments, or other wagering
24 instruments approved by the California Gambling Control
25 Commission or a tribal gaming agency, or a lawful coin of the
26 United States, the use of which is unlawful pursuant to subdivision
27 (b). The term “paraphernalia for manufacturing slugs” includes,
28 but is not limited to, any of the following:

29 (1) Lead or lead alloys.

30 (2) Molds, forms, or similar equipment capable of producing
31 a likeness of a gaming token or lawful coin of the United States.

32 (3) Melting pots or other receptacles.

33 (4) Torches.

34 (5) Tongs, trimming tools, or other similar equipment.

35 (6) Equipment which can be reasonably demonstrated to
36 manufacture facsimiles of debit instruments or wagering
37 instruments approved by the California Gaming Control
38 Commission or a tribal gaming agency.

39 SEC. 5. Section 337x is added to the Penal Code, to read:

1 337x. It is unlawful to cheat at any gambling game in a
2 gambling establishment.

3 SEC. 6. Section 337y is added to the Penal Code, to read:

4 337y. It is unlawful to do either of the following:

5 (a) Manufacture, sell, or distribute any cards, chips, dice,
6 game, or device which is intended to be used to violate Section
7 337u, 337v, 337w, or 337x.

8 (b) Mark, alter, or otherwise modify any gambling game device
9 or associated equipment in a manner that either:

10 (1) Affects the result of a wager by determining win or loss.

11 (2) Alters the normal criteria of random selection, which
12 affects the operation of a gambling game or which determines the
13 outcome of a game.

14 (c) It is unlawful for any person to instruct another in cheating
15 or in the use of any device for that purpose, with the knowledge or
16 intent that the information or use conveyed may be employed to
17 violate Section 337u, 337v, 337w, or 337x.

18 SEC. 7. Section 337z is added to the Penal Code, to read:

19 337z. (a) Any person who violates Section 337u, 337v,
20 337w, 337x, or 337y ~~is guilty of a felony and~~ shall be punished as
21 follows:

22 (1) For the first violation, by imprisonment in a county jail for
23 a term not to exceed one year, or by a fine of not more than five
24 thousand dollars (\$5,000), or by both that fine and imprisonment.

25 (2) For a second or subsequent violation of any of those
26 sections, by imprisonment in a county jail for a term not to exceed
27 ~~one year or in the state prison, and may be further punished by a~~
28 ~~fine of not more than ten thousand dollars (\$10,000).~~ *one year or*
29 *by a fine of not more than fifteen thousand dollars (\$15,000), or*
30 *by both that fine and imprisonment.*

31 (b) A person who attempts, or a person who conspires with
32 another person, to violate Section 337u, 337v, 337w, 337x, or 337y
33 shall be punished in the same manner as the underlying crime.

34 SEC. 8. No reimbursement is required by this act pursuant to
35 Section 6 of Article XIII B of the California Constitution because
36 the only costs that may be incurred by a local agency or school
37 district will be incurred because this act creates a new crime or
38 infraction, eliminates a crime or infraction, or changes the penalty
39 for a crime or infraction, within the meaning of Section 17556 of
40 the Government Code, or changes the definition of a crime within

1 the meaning of Section 6 of Article XIII B of the California
2 Constitution.

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